

Virginia Department of Mines, Minerals and Energy  
Virginia Gas and Oil Board

Minutes and results of hearing, February 17, 2004

Board members present: Mr. Harris, Mr. McIntyre, Mr. Ratliff and Mr. Wampler

1. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit AW-135, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-04-0120-1248. Continued from January. In the AW-135 unit, the applicant controls 100% of the coalbed methane interests and 66.1% of the gas interests, and seeks to pool the remaining 33.9% of the gas interests. Unleased gas acreage subject to pooling totals 19.9 net acres in two tracts with two unleased owners. There are conflicting claimants and unknown owners subject to escrow and conflicting claimants subject to existing royalty split agreements. A permit to drill the unit was issued on 12/16/03 and a well has been drilled. Pooling was approved.
2. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit AZ-108, New Garden District, Russell County, Virginia. Docket Number VGOB-04-0217-1256. In the AZ-108 unit, the applicant controls 100% of the coalbed methane interests and 97.5% of the gas interests, and seeks to pool the remaining 2.5% of the gas interests. Unleased gas acreage subject to pooling totals 1.48 net acres in two tracts with four unleased owners. There are conflicting claimants subject to escrow. A permit to drill the unit was issued on 6/23/03 and a well has been drilled. Pooling was approved.
3. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for pooling of coalbed methane unit BA-108, New Garden District, Russell County, Virginia. Docket Number VGOB-04-0217-1257. In the BA-108 unit, the applicant controls 99.6% of the coalbed methane interests and 98.7% of the gas interests, and seeks to pool the remaining 0.4% of the coalbed methane interests and 1.3% of the gas interests. Unleased coalbed methane acreage subject to pooling totals 0.24 net acres in one tract with three unleased owners, and gas acreage subject to pooling totals 1.5 net acres in three tracts with seven unleased owners. There are conflicting claimants subject to escrow. A permit to drill the unit was issued on 9/23/03 and a well has been drilled. Pooling was approved.
4. The Virginia Gas and Oil Board considered a petition from CNX Gas Company, LLC for creation and pooling of conventional gas unit TC-13, Garden District, Buchanan County, Virginia. Docket Number VGOB-04-0217-1258. In the proposed TC-13 conventional gas unit, the applicant controls 94.1% of the oil and gas interests, and seeks to pool the remaining 5.9% of the interests. Unleased acreage subject to pooling totals 6.67 net acres in three tracts having two unleased owners. There are no unlocated owners subject to escrow. A permit to drill the unit was issued on 1/8/04 and a well has been drilled. Carried forward to the March hearing.
5. The Virginia Gas and Oil Board considered a petition from Equitable Production Company for pooling of conventional gas unit V-535457, Kenady District, Dickenson County, Virginia. Docket Number VGOB-04-0217-1259. In the proposed V-535457 conventional gas unit, the applicant controls 99.2% of the oil and gas interests, and seeks to pool the remaining 0.8% of the interests. Unleased acreage subject to pooling totals 0.93 net acres in one tract having one unleased owner. There are

no unlocated owners subject to escrow. No permit application has been submitted. Pooling was approved.

6. The Virginia Gas and Oil Board considered a petition from Equitable Production Company for pooling of coalbed methane unit VC-535602, Kenady District, Dickenson County, Virginia. Docket Number VGOB-04-0217-1260.  
In the VC-535602 unit, the applicant controls 100% of the coalbed methane interests and 98.1% of the gas interests, and seeks to pool the remaining 1.9% of the gas interests. Unleased gas acreage subject to pooling totals 1.1 net acres in four tracts with six unleased owners. There are conflicting claimants subject to escrow. No permit application has been submitted. Pooling was approved.

The deadline for filing of petitions to the Board for the March hearing is 5 p.m., Friday, February 13, with the hearing scheduled for 9 a.m. on Tuesday, March 16, 2004 at the Southwest Virginia Higher Education Center, Abingdon, Virginia.